REMARKS

I. STATUS OF THE CLAIMS:

In accordance with the foregoing, claims 1-3, 7-8, 10, 12 and 15-20 have been amended and claim 21 has been added.

In view of the above, it is respectfully submitted that claims 1-21 are pending and under consideration. No new matter is being presented, and approval and entry are respectfully requested.

II. CHANGES TO THE ABSTRACT:

Although not objected to in the Office Action, the Abstract is amended herein. Approval is respectfully requested.

III. REJECTION OF CLAIMS 1-20 UNDER 35 U.S.C § 102(e) AS BEING ANTICIPATED BY PEINADO ET AL. (U.S. PATENT NO. 6,772,340 B1):

The rejections of claims 1-20 are respectfully traversed and reconsideration is requested.

In the present application, as recited in amended claim 1, previously stored contents are extracted and encrypted based on an identifier having been given uniquely to a user medium. The contents are decrypted, based on the identifier, and then reproduced, displayed or executed as permitted under the limiting condition.

Peinado et al. (hereinafter "Peinado") teaches a contents processing method by which the extracted contents are encrypted and made accessible over the internet in encrypted form. However, according to the Abstract in Peinado, the content server may also supply the encrypted content on an optical disk or the like. The device in Peinado does not necessarily record the desired contents on a user medium; thus, encryption of contents based on an identifier having been given to a medium, as claimed in the present invention, is theoretically impossible.

The present invention further differs from Peinado to the extent that "contents," as described in Peinado, are stored in a "content server" after they have been encrypted. In the present invention, the contents are stored in advance, extracted and then encrypted, based on an identifier having been given uniquely to a user medium, as recited in amended claim 1.

a. Rejection of Claims 1, 15 and 18

In the Office Action, the Examiner states that the method described in Peinado includes, "encrypting the extracted contents, based on an identifier given uniquely to a medium," citing col. 5, lines 14-29 and col. 2, lines 56-67 of Peinado. However, neither of the sections cited mention encryption based on an identifier having been given uniquely to a medium, as recited in the

claims amended herein.

b. Rejection of Claims 2-8, 12, 15, 16, 17 and 18

In the Office Action, the Examiner states that the recording device in Peinado includes a processor capable of reading an identifier given uniquely to the medium, citing col. 7, lines 37-67 and col. 8, lines 1-13. However, the "identifier" described in Peinado refers to a watermark, which is a computer-readable hidden signal that is added to the digital content. There is no relation to the "identifier" of the present invention, which is given to the user medium.

c. Rejection of Claim 12

In the Office Action, the Examiner states that Peinado discloses a central device for transmitting contents to another computer via a communication network, comprising a processor capable of specifying a computer in which the contents are to be recorded and an identifier given uniquely to the medium, citing col. 8, lines 3-13. The Examiner additionally cites col. 55, lines 63-67 and col. 56, lines 1-2, which states, "[i]t should be appreciated that changes could be made to the embodiments described above without departing from the inventive concepts thereof. It should be understood, therefore, that this invention is not limited to the particular embodiments disclosed, but it is intended to cover modifications within the spirit and scope of the present invention as defined by the appended claims."

In the present invention, however, the "identifier" is given uniquely to the user medium, as opposed to Peinado, in which the "identifier" describes a watermark, which is a computer-readable hidden signal that is added to the digital content. The present invention is conceptually different from Peinado and, thus, claim 12 is patentably distinguishable from the prior art.

d. Rejection of Claims 10 and 17

In the Office Action, the Examiner states that Peinado discloses an execution device, comprising means for decrypting contents, which have been encrypted based on the identifier and recorded based on the read identifier, citing the Abstract, col. 19, lines 48-60 and col. 3 lines 45-67. However, the "identifier" in Peinado is referring to the identifier within a computing device. Although an identifier of the computing device in Peinado may be used for encryption, in the present invention, an identifier is given uniquely to the user medium, and the content is encrypted based on the identifier of that user medium.

e. Rejection of Claim 19

In the Office Action, the Examiner states that Peinado teaches a computer memory product that reads an identifier given uniquely to the medium, citing col. 3, lines 57-67 and Fig. 17, No. 1715.

The cited portions of Peinado do not teach or suggest a product that is readable by a computer and stores a computer program that reads an identifier having been given uniquely to

Serial No. 09/897,480

the medium, before decrypting the contents and reproducing, displaying or executing the decrypted contents. Therefore, it is respectfully submitted that the present invention is not anticipated by Peinado.

IV. NEW INDEPENDENT CLAIM 21:

New claim 21 recites:

A contents processing system, comprising:

a recording device including a processor capable of storing contents in advance, extracting the stored contents and encrypting the extracted contents, based on an identifier having been given uniquely to a user medium; and

an execution device including a processor capable of decrypting the contents recorded on the user medium and reproducing, displaying or executing the contents recorded on the medium, based on the read identifier having been given uniquely to the medium.

Therefore, claim 21 patentably distinguishes over the prior art for similar reasons as noted above for the other independent claims, and approval and entry is respectfully requested.

V. CONCLUSION:

In accordance with the foregoing, it is respectfully submitted that all pending claims patentably distinguish over the prior art. There being no further outstanding objections or rejections, the application is submitted as being in condition for allowance, which action is earnestly solicited.

If the Examiner has any remaining issues to be addressed, it is believed that prosecution can be expedited by the Examiner contacting the undersigned attorney for a telephone interview to discuss resolution of such issues.

If there are any underpayments or overpayments of fees associated with the filing of this Amendment, please charge and/or credit the same to our Deposit Account No. 19-3935.

Respectfully submitted,

STAAS & HALSEY LLP

Date:

Bv:

David M. Pitcher

Registration No. 25,908

1201 New York Avenue, NW, Suite 700

Washington, D.C. 20005 Telephone: (202) 434-1500

Facsimile: (202) 434-1501